

STATEMENT OF CONSIDERATIONS

REQUEST BY DUKE SOLAR ENERGY, LLC. FOR AN ADVANCED WAIVER OF DOMESTIC AND FOREIGN PATENT RIGHTS UNDER CONTRACT NO. DE-AC36-98GO10337, NREL SUBCONTRACT NO. AAR-9-29442-03; W(A)-00-003; CH-1010

The Petitioner, Duke Solar Energy, LLC. (hereinafter "Duke Solar"), has requested a waiver of domestic and foreign patent rights for all subject inventions arising from its participation under the above referenced subcontract entitled "Parabolic Trough Concentrator Development". This subcontract pertains to the development and commercialization of parabolic trough power plant technology.

The objective of this subcontract is to develop conceptual designs for each of the proposed subsystems relating to parabolic trough concentrators, analyze their effects on cost and performance, select those design elements that clearly warrant further development, and generate a work plan for continued development. Specifically, this subcontract is directed to the establishment of relevant baseline data on parabolic trough concentrators for the comparison of performance and cost data. Duke Solar will formulate a design for a collector system. The primary reflector design for the collector will be reevaluated and new features postulated based on theoretical considerations. The necessary analytical tools will be developed to aid in this reevaluation. A similar reevaluation of the secondary reflector will also be performed. A new collector design will be examined with the goal of providing a conceptual advanced concentrator design.

The total anticipated cost of the subcontract, over the course of the nine-month term of the agreement is \$211,086.00, of which the Petitioner's cost share being \$73,880.00, for approximately 35% cost sharing. This waiver is contingent upon the Petitioner maintaining, in aggregate, substantially the same cost sharing percentage over the course of the subcontract.


As noted in its waiver petition, Petitioner, through joint venture or subsidiary partnerships, has an established commercial position in solar collectors in particular optic systems. Further, the Petitioner, through its principal investigator and fellow researchers has extensive experience in solar technology, as illustrated by the attached resumes in the Appendix of the petition. Considering Petitioner's technical expertise, established market position, and significant investment in this technology, including significant cost sharing in this subcontract, it is reasonable to conclude that Petitioner will continue to further develop and commercialize the technology which may arise from this subcontract.

Referring to item 10 of the waiver petition, granting this waiver is not anticipated to have any adverse impact on competition. There are several alternate technologies within the solar concentrator field. The Petitioner will compete with these alternate technologies and while obtaining a position in the market, broaden the overall solar concentrator business. The granting of this waiver and the underlying subcontract can be expected to stimulate competition in the field by providing a viable alternate to existing solar concentrator technologies.


The Petitioner has agreed that this waiver will be subject to the usual government license and march-in and U.S. preference provisions, equivalent to those set out in 35 U.S.C. 202-204,

as well as appropriate background patent, and data licensing provisions. Further, Petitioner has agreed to the attached U.S. competitiveness provisions (clause (t)), wherein the Petitioner has agreed that products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless Petitioner can show to the satisfaction of the DOE that it is not commercially feasible to do so, and in any event it will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements.

Considering the foregoing, it is believed that granting this waiver will provide Petitioner with the necessary incentive to invest its resources in the commercialization of the results of the subcontract in a fashion which will make the above technology available to the public in the shortest practicable time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 10 CFR Part 784, all of which have been considered, it is recommended that the requested waiver be granted.


Thomas G. Anderson
Assistant Chief Counsel
Office of Intellectual
Property Law


Date: 7/24/00


Mark LaMarre
Patent Attorney
Office of Intellectual
Property Law

Date: July 24, 2000


Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will best be served by a waiver of patent rights of the scope described above, and therefore the waiver is granted. This waiver will not apply to any substantial modification or extension of the subcontract.

CONCURRENCE:


James Rannels
Director of Office of Solar Energy
Technology

Date: 9/5/00

APPROVAL:


Paul Gottlieb
Assistant General Counsel for Technology
Transfer and Intellectual
Property

Date: 9-5-00

period as the Secretary or his designee shall determine for good cause shown in writing, to show cause why the waiver of rights should not be so terminated. Any waiver termination shall be subject to the Contractor's minimum license as provided in paragraph (e) of this clause.

(q) Atomic Energy. No claim for pecuniary award or compensation under the provisions of the Atomic Energy Act of 1954, as amended, shall be asserted by the Contractor or its employees with respect to any invention or discovery made or conceived in the course of or under this contract.

(r) Publication. It is recognized that during the course of work under this contract, the contractor or its employees may from time to time desire to release or publish information regarding scientific or technical developments conceived or first actually reduced to practice in the course of or under this contract. In order that public disclosure of such information will not adversely affect the patent interests of DOE or the contractor, approval for release of publication shall be secured from Patent Counsel prior to any such release or publication. In appropriate circumstances, and after consultation with the contractor, Patent Counsel may waive the right of prepublication review.

(s) Forfeiture of rights in unreported subject inventions.

(1) The contractor shall forfeit and assign to the Government, at the request of the Secretary of Energy or designee, all rights in any subject invention which the contractor fails to report to Patent Counsel within six months after the time the contractor: (i) Files or causes to be filed a United States or foreign patent application thereon; or (ii) Submits the final report required by paragraph (e)(2)(ii) of this clause, whichever is later.

(2) However, the Contractor shall not forfeit rights in a subject invention if, within the time specified in paragraph (m)(1) of this clause, the contractor: (i) Prepares a written decision based upon a review of the record that the invention was neither conceived nor first actually reduced to practice in the course of or under the contract and delivers the decision to Patent Counsel, with a copy to the Contracting Officer; or (ii) Contending that the subject invention is not a subject invention, the contractor nevertheless discloses the subject invention and all facts pertinent to this contention to the Patent Counsel, with a copy to the Contracting Officer, or (iii) Establishes that the failure to disclose did not result from the contractor's fault or negligence.

(3) Pending written assignment of the patent application and patents on a subject invention determined by the Contracting Officer to be forfeited (such determination to be a Final Decision under the Disputes clause of this contract), the contractor shall be deemed to hold the invention and the patent applications and patents pertaining thereto in trust for the Government. The forfeiture provision of this paragraph shall be in addition to and shall not supersede any other rights and remedies which the Government may have with respect to subject inventions.

(t) U. S. COMPETITIVENESS The Contractor agrees that any products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless the Contractor can show to the satisfaction of the DOE that it is not commercially feasible to do so. The Contractor further agrees to make the above condition binding on any assignees or licensees or any entity otherwise acquiring rights to any waived invention, including subsequent assignees or licensees. Should the Contractor or other such entity receiving rights in any waived invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license or other transfer of rights